Adverse **effect of RTA with China**

1244. SHRI B.K. HARIPRASAD: Will the Minister of COMMERCE AND INDUSTRY be pleased to state-

whether India and China have decided to examine the feasibility report on a Regional Trade Agreement (RTA);

whether the bilateral trade between China and India has increased ten-fold in six years period to 2006-07 and our trade deficit with China has also increased dramatically;

whether the Chinese products now occupy a disproportionate share of India's imports, raising concerns of excessive dependence; and

whether such a RTA is likely to put undue and unfair pressure on Indian manufacturers with adverse consequences for employment and growth?

THE MINISTER OF STATE IN THE DEPARTMENT OF COMMERCE, MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH): (a) Yes, Sir. During the Prime Minister's visit to China in January, 2008 the two Prime Ministers agreed to entrust to the two Commerce Ministers to explore ways to act further on the recommendations of the JTF on RTA.

Yes, Sir. During 2000-01 bilateral trade was of the volume of US $2.3 billion. During 2006-07 the bilateral trade has increased to the volume of US $ 25.7 billion. During the last six years our trade deficit with China has increased from US $ 0.6 billion in 2000-01 to US $9.1 billion.

During 2006-07 Indian imports from China were US $ 17.4 billion, as against total imports of US $ 185.6 billion. The imports from China have increased significantly since 2000-01 and today it is the biggest source of Indian imports.

In pursuance to the recommendation of the JSG, a Joint Task Force to study in details the feasibility of India-China RTA was constituted. The JTF finalised its report in October, 2007. According to the report of the feasibility study, an India-China RTA will be mutually advantageous.

**Expansion plans of General Motors in India**

1245. SHRIMATI SUPRIYA SULE: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

whether General Motors seeking to more than double market share in India over the next two years, is planning to start a new facility at Talegaon, Maharashtra;

whether it has the intention to jack up its capacity to 1,40,000 vehicles per annum from 85,000 vehicles a year at present;

if so, whether the company is likely to improve 3 fold in 5 years and is expected to surge from around 9000 units in 2008 to almost 25,000 in 2012; and

if so, what extent it will be helpful for the Maharashtra State?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL POLICY AND PROMOTION, MINISTRY OF COMMERCE AND INDUSTRY (SHRI ASHWANI KUMAR): (a) Yes, Sir. General Motors is planning to more than double their production in